

103^D CONGRESS
2^D SESSION

H. R. 4881

To amend the Internal Revenue Code of 1986 to disregard up to \$15,000,000 of capital expenditures in applying the provisions permitting a \$10,000,000 limit on qualified small issue bonds.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 1994

Mr. McHALE introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to disregard up to \$15,000,000 of capital expenditures in applying the provisions permitting a \$10,000,000 limit on qualified small issue bonds.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Capital Expenditure
5 Expansion Act of 1994”.

1 **SEC. 2. MODIFICATION OF CAPITAL EXPENDITURE RULES**
2 **RELATING TO QUALIFIED SMALL ISSUE**
3 **BONDS.**

4 (a) **IN GENERAL.**—Subparagraph (A) of section
5 144(a)(4) of the Internal Revenue Code of 1986 (relating
6 to \$10,000,000 limit in certain cases) is amended by add-
7 ing at the end the following new flush sentence:

8 “Capital expenditures (financed otherwise than
9 out of the proceeds of outstanding tax-exempt
10 issues) shall not be taken into account under
11 clause (ii) to the extent such expenditures do
12 not exceed \$15,000,000.”

13 (b) **TECHNICAL AMENDMENT.**—Paragraph (4) of
14 section 144(a) of such Code is amended by striking sub-
15 paragraph (F).

16 (c) **EFFECTIVE DATE.**—The amendments made by
17 this section shall apply to—

18 (1) obligations issued after the date of the en-
19 actment of this Act, and

20 (2) capital expenditures made after such date
21 with respect to obligations issued on or before such
22 date.

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